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Malawi Handbook

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INTRODUCTION

Malawi, formerly the British Protectorate of Nyasaland, has enjoyed a degree of political stability remarkable for Africa, a condition attributable to the autocratic rule of President for Life H. Kamuzu Banda. Banda, who enjoys immense prestige in his country as the man who charted Malawi's independence, also serves as minister of external affairs, minister of justice, commander in chief of the armed forces, and president for life of Malawi's sole political party.

Political stability has not brought economic viability, however. Poor, overcrowded, and landlocked, Malawi has one of the lowest per capita incomes in the world. Fully 90% of the population of over five million is engaged in agriculture, and agricultural products account for almost all exports. The limited modern sector of the economy is geared largely to the processing of agricultural products. Unemployment is chronic. Malawi depends upon Portuguese Mozambique for rail and port facilities, and both South Africa and Rhodesia have become important sources of development capital and employment for Malawi's huge surplus of unskilled manpower.

This economic dependence, as well as a desire to become the architect of conciliation between black Africa and white Africa, prompts Banda to advocate open cooperation with the white-ruled states of southern Africa. This policy reached a high point in August 1971 when Banda made a state visit to South Africa, the first by a black African head of state. Banda's policy and his trip have been severely criticized by militant black African leaders who adamantly oppose white racial policies in southern Africa and regard Banda as a stooge.

Banda's domination of domestic politics has undercut the potential for dissidence within his government and has forestalled any threat of foreign-supported insurgency. Although remote border areas are used by anti-Portuguese insurgents operating against Mozambique, this activity has been of such low level that it has not threatened either Malawi's internal security or its relations with Mozambique.

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I. GEOGRAPHY

Location

Malawi, in southeast Africa, is a long, narrow, landlocked country nestled against Lake Nyasa and bordering Zambia, Tanzania, and Mozambique.

Area

Malawi has an area of 46,000 square miles, including more than 9,000 square miles of Lake Nyasa. It is approximately the size of peninsular Florida. Malawi's perimeter is 1,665 miles, about a quarter of which is in or along Lake Nyasa. The boundary with Zambia, 520 miles, is mostly across rugged hills and mountains. The Malawi-Mozambique boundary is about 850 miles, of which approximately 180 miles are in Lake Nyasa. The Malawi-Tanzania border is about 295 miles, about 200 of which is along the east shoreline of Lake Nyasa.

Topography

The nation is an area of rolling plains and rounded hills and mountains. South of Lake Nyasa there are scattered areas of flat plains. Although elevations range mostly between 2,000 and 5,000 feet, the extremes range from about 120 feet in places along the Shire River to almost 10,000 feet in the Mlanje Mountains.

Vegetation is chiefly open to moderately dense deciduous forest and grass two to four feet high. Marshy areas are along streams and lakes in the south, along with numerous cultivated fields consisting chiefly of cotton, tobacco, corn, peanuts, and tea bushes.

Culture features, mainly rural settlements, are dense in the extreme south and generally sparse elsewhere. The settlements consist of clusters of rounded huts of wattle and daub with thatched roofs. The few urban centers are mainly in the south and have modern commercial and industrial areas surrounded by relatively new residential sections. These sections in turn are surrounded by slums consisting of huts similar to those of rural areas.

Climate

Malawi's climate is tropical but moderated by the relatively high elevation of the country. The rainy season, early November through April, is

generally cloudy, warm to hot, and humid; showers and thunderstorms are frequent. The dry season, early May through October, has clear or only partly cloudy skies, warm to hot days but cool nights, and comparatively low humidity.

Annual precipitation generally ranges from 30 to 55 inches at most lower elevations to more than 90 inches on some mountain slopes. More than 90% of the annual precipitation at most locations occurs during the rainy season. During the dry season, amounts are mostly less than one inch.

In the low-lying areas along the Shire River and near Lake Nyasa, temperatures are high throughout the year; during October and November, the hottest months, the mean daily maximums are near 95F, and extremes are over 100F. In June and July, the coolest months, mean daily maximums are in the low 80s and the mean daily minimums near 60F. At higher elevations, temperatures are greatly modified. During the hottest months, mean daily maximums are mostly in the 80s and mean daily minimums in the 60s and 70s. During the coolest months, temperatures are usually in the 70s during the day and in the 40s and 50s at night.

Natural resources

Agriculture—Malawi's generally good agricultural land, reliable rainfall, and moderate temperature are suitable for growing a wide variety of crops. Less than 15% of the land is being farmed, however, because of the broken topography which makes up three fourths of Malawi. Most cultivation is in the relatively low lying, heavily populated southern area. Tobacco and tea are Malawi's primary agricultural products, followed by peanuts, cotton, and tung oil. The three largest lakes—Nyasa, Shirwa, and Malombe—support large quantities of fish. Although exploitation is heavy, both for trade and subsistence, it has not reached its full potential.

Minerals—Numerous minerals have been discovered in Malawi, but little exploitation has taken place. In southern Malawi, bauxite deposits—estimated at 60 million tons—still await exploitation pending development of low-cost electricity and practical transportation. Although sizable sulphur deposits exist, they cannot be profitably exploited.

Fuels and power—All principal fuel supplies are imported, with the exception of firewood, which is used extensively in agricultural areas. Coal deposits are low-grade and cannot be profitably exploited. Malawi is attempting to develop a reliable electric power base as a prerequisite for modest industrial expansion.

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Human resources

Population composition—Malawi's population in early 1971 was estimated to be 5,144,000. The average annual growth rate was around 3%. Almost 90% of the population is engaged in agriculture, primarily subsistence. Because of its limited modern economy, Malawi suffers from a manpower surplus, and relies upon South Africa and Rhodesia to supply a market for Malawian workers. These countries annually employ about 300,000 Malawians, almost twice the number of Malawian wage earners at home. Fully 99% of the population is native African; about 1% are Europeans and Asians.

Population distribution and trends—With an average population density of around 109 persons per square mile, Malawi is one of the most densely populated countries in southern Africa. The population density is exceeded only by those of Rwanda, Burundi, and Nigeria in Africa as a whole. Over half the population lives in the southern third of the country where the average density is about 270 persons per square mile and actual densities range from 100 to 1,000 per square mile depending on the fertility of the land. Blantyre, the largest urban area in Malawi, has a population of roughly 110,000. Zomba, the capital, has a population of approximately 20,000.

II. ECONOMIC BACKGROUND

Structure of the economy

Malawi's economy is predominantly agricultural and is likely to remain so. Approximately 90% of the working population is engaged in agriculture, and cash crops—mainly tea, tobacco, peanuts, and cotton—account for virtually all exports. Economic stability is thus dependent upon favorable weather conditions and world prices. The few government-sponsored light industrial projects consist primarily of firms that process agricultural products. Malawi lacks sufficient mineral resources to generate a broad industrial base.

Growth rate—Malawi's growth rate for 1970 was 3.7%, a sharp drop from the 5.7% growth rate averaged between 1964-69. A potentially good harvest was predicted for 1971, however, and was expected to push the growth rate to 6%.

Income distribution—Annual per capita income in Malawi is about \$60—one of the lowest in the world. To some extent, this figure is deceptive since most people live outside a money economy. The modern sector of Malawi's economy is limited, and unemployment, a chronic problem, is manageable only because many Malawians find employment as contract laborers in South Africa, Rhodesia, and Zambia.

Economic policy and financial system

Malawi is heavily dependent upon foreign loans and grants. A major factor in its economic growth since independence has been the high level of government development expenditures financed by foreign loans, principally from the UK, World Bank, US, and Federal Republic of Germany. Development expenditures for FY 1970-71 were \$38 million, or more than double the \$16 million for the previous year. Of the \$35 million scheduled for FY 1971-72, a total of \$29 million will be financed by foreign assistance. Major areas of development include agriculture (\$7.6 million), transportation (\$7.5 million), construction of the new capital at Lilongwe (\$4.9 million), and electrical power (\$4 million).

Malawi's major donor has been the UK, and although Britain currently provides substantial budgetary and developmental aid, London plans to phase out budget subsidies by 1973-74. British development loans will

continue, however. Because Malawi is landlocked, it is dependent upon the Portuguese province of Mozambique for rail links to the sea. This plus its need to have its surplus manpower employed elsewhere in southern Africa has moved Malawi closer to the white-ruled states of southern Africa. South Africa has committed \$11.2 million to finance construction of a new capital, and a South African firm was awarded the contract for the construction of the rail line linking Malawi with the Mozambican port of Nacala.

Currency and banking—The national currency is the kwacha, introduced early in 1971 to put Malawi on a decimal system and convertible at the rate of kwacha 1.00 to \$1.20. Malawi's banking system consists of a central bank, two commercial banks, a Post Office Savings Bank, and a building society. The Reserve Bank of Malawi, established in 1964, acts as the government's banker and financial adviser and issues the country's legal tender. Malawi became a member of the International Monetary Fund, the International Finance Corp., International Bank for Reconstruction and Development, and the International Development Association in July 1965.

Foreign trade and balance of payments

Despite a poor crop, Malawi's total exports in 1970 reached \$59.1 million, an increase over 1969 of 13%. Imports increased even more sharply to \$85.8 million, or 16% over 1969, leaving a trade deficit of over \$26 million, which was financed by foreign development loans. Better than 50% of Malawi's exports are accepted by the UK. The importance of UK markets could be seriously weakened, however, by British entry into the Common Market, and the Banda government is actively studying the question of applying for associate membership in the EEC. South Africa and Rhodesia have become increasingly important as sources of Malawi's imports, primarily at the expense of the British whose share declined to 26% in 1970.

Transportation and telecommunications

Surface routes—Malawi's transportation facilities are concentrated in the southern part of the country. Rail is the most important mode of transport. The railroad traverses southern Malawi in a general north-south direction and transports the major share of freight traffic, both import-export and domestic. The railroad is a 289-route-mile, single-track, 3' 6" narrow-gage line, part of a 515-mile rail route extending to the ocean port of Beira, Mozambique. Construction of the Malawi section of a new line linking Malawi with the port of Nacala, Mozambique was completed in the summer of 1970.

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Malawi's highway network is sparse, unevenly distributed, and in-adequate to Malawi's needs. Highways provide mainly feeder service to the railroads and to ports on Lake Nyasa. In parts of the country they provide the only means of transportation. The highway network totals about 6,300 miles, about 90% of which is of earth and light gravel. Since independence, the government has devoted about 25% of its development funds to highway improvement and the opening of new highway links. President Banda is particularly anxious to improve highway links with Lilongwe in central Malawi, the future site of the capital. Highway development and maintenance is hampered, however, by shortages of funds, mountainous terrain, and a lack of skilled labor and equipment.

Malawi has two navigable inland waterways, Lake Nyasa and the Shire River. Lake Nyasa is 350 miles long, 20 to 40 miles wide, and up to 1,300 feet deep. The entire lake area, apart from a section along the Mozambique shore, is Malawi territorial water. The northeastern shore of the lake forms the boundary with Tanzania. The Shire River originates at the southern tip of the lake and flows south across the Mozambique border to its confluence with the Zambezi River.

The waterways in Malawi are perennially navigable. Cargo movement is chiefly northbound from Chipoka, the rail-lake transshipment port. The scarcity of natural harbors and generally inadequate port facilities have hindered economical lake transport. The lake fleet has 16 ports of call, most of which are roadstead ports, with lighterage necessary between vessels at anchor and shore facilities.

Civil air—The Central African Airways Corp. (CAA), with headquarters at Salisbury, Rhodesia, is the designated international carrier for Malawi, Rhodesia, and Zambia and is jointly owned by the three countries. Air Malawi, the CAA subsidiary in Malawi, serves six domestic points and operates regional services to Zambia, Mozambique, and Rhodesia. Control of civil aviation is vested in the Department of Civil Aviation. The department establishes and publishes regulations governing civil aviation and licenses aircraft and airfields. There are no major maintenance facilities in Malawi. Major maintenance and overhaul is carried out by CAA facilities; minor repairs can be performed by Air Malawi or by Leopard Air, a small charter line. Of the 13 usable airfields in Malawi, 12 are civil and one is private. The air facilities system is generally inadequate for all-weather operations because of a lack of electronic navigational aids. Airfield maintenance is generally poor because of a lack of equipment and trained personnel. A new, modern airport is being included in the construction plans for the new capital at Lilonawe.

Telecommunications—Malawi's telecommunications system is equal to that of many emerging nations but ranks below Rhodesia and Zambia. Malawi has about 9,000 telephones, of which about 90% are connected to automatic exchanges. Blantyre, the largest city, has the major exchange. Telephone service is generally of good quality, but only a few of the principal towns are interconnected. Telecommunications are administered by the Department of Posts and Telecommunications of the Ministry of Transport and Communications. The Malawi Broadcast Corp. is the radiobroadcast organization.

The most important element of the domestic system is an open-wire network, supplemented on main routes by VHF radio-relay links, mainly concentrated in the southern and central parts of the country. International connections are made primarily by high-frequency radio from Zomba to Nairobi, Kenya, and from there to the rest of the world. Radiobroadcast AM stations are located in Blantyre, Lilongwe, Fort Johnson, and Karonga. There are about 80,000 radio receivers. There are no FM or TV stations.

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III. POLITICAL SITUATION AND TRENDS

Historical background

Western contact with Malawi dates back to the discovery of Lake Nyasa in 1859 by the famous explorer-missionary Dr. David Livingstone. Although waves of missionaries, traders, merchants, and planters followed Dr. Livingstone, the British Government did not send a representative until 1883 when a consul was accredited to the "Kings and Chiefs of Central Africa."

Malawi became a protectorate in 1891 and in 1953 was joined with Northern and Southern Rhodesia in the Federation of Rhodesia and Nyasaland until self-government was achieved in 1963. Independence was granted by Great Britain on 6 July 1964 and two years later Malawi became a republic. Dr. Hastings Kamuza Banda, who led the movement for independence, has been president since 1964.

Shortly after independence Banda's autocratic rule precipitated a challenge by several young cabinet ministers who sought to lessen presidential control. Banda forced them out of the government and into exile, where they temporarily sought foreign assistance to overthrow the president. Two attempts to foment rebellion—in February 1965 and October 1967—were dispersed by government forces, however, and since 1967 Banda has tightened his hold on the government.

Government structure and functioning

Executive—The Constitution of Malawi, adopted in 1966, gives the president complete authority over all executive components of the government. The president appoints and dismisses cabinet ministers at his own discretion, presides over the cabinet, and has the authority to reorganize the executive ministries or to delegate executive functions to officials other than cabinet members. The president is designated the commander in chief of the armed forces and the Office of the President retains administrative control of the army and the police.

Although the constitution sets the president's term of office at five years, Banda was sworn in as president for life in July 1971. This gesture, however, did little more than formalize an existing situation since the presidential incumbent is the only candidate for election at the expiration of the term of office. Malawi has no vice president. In the event of the

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president's death or resignation, a successor is chosen by the legislature acting as an electoral college. Because of Banda's one-man band style of governing, no heir apparent to the presidency has emerged and Banda has failed to designate a successor. Banda himself is probably some years older than his estimated age of 65 and the question of who will succeed him is likely to become a crucial one for Malawi in the near future.

Legislature—A 50-member National Assembly was established in 1964 as Malawi's legislative body. Amendments passed in 1970 increased the membership to 75, 15 of whom are appointed by the president to represent minority groups, including Europeans, and special interests. As of mid-1971, however, many of these additional members had not been appointed.

The National Assembly is so dominated by the president that its legislative prerogatives have been reduced to formalities. Candidates to the assembly must be members of the Malawi Congress Party—the country's sole political party, of which Dr. Banda is also life president—and must declare their allegiance to the president before running for an assembly seat.

Although constitutional provisions for the enactment of laws are based on a theoretical division of power between the legislature and the executive, in reality the balance is tipped to assure control by the president. All legislation requires presidential assent and, although a presidential veto may be challenged within the National Assembly, such moves invite dissolution of the assembly and expulsion of the challenging members.

Judiciary—Judicial reforms carried out in 1970 under the direction of President Banda-who is also minister of justice-gave broader jurisdiction and increased powers to Malawi's Traditional Courts, or courts of African origin. Prior to 1970, jurisdiction had been more or less shared by courts of British origin and local courts based on indigenous customary law, with the former having sole jurisdiction over criminal cases. The controversial acquittal of five accused murderers by a British High Court Justice in September 1969 led Dr. Banda to give Traditional Courts jurisdiction over criminal cases also. Malawi thus has two parallel and unlinked court systems, and decisions in one cannot be appealed in the other. The Traditional Courts are a curious mixture of British and local systems and are staffed by both tribal chiefs and trained barristers. Despite renewed emphasis on the Traditional Courts, Banda has made it clear that he intends to retain the British court system and in the fall of 1970 appointed a new British chief justice. All judges are appointed by Banda and may be either trained in British law or steeped in customary law.

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Local government—The basic units of local government are 23 districts, 18 of which were formed during the colonial period. Above the districts are the three regional administrative units—the Northern, Central, and Southern regions—which act as intermediate administrative units between the districts and the central government. Regional and district commissioners are appointed by President Banda. Each district has a district council made up of local tribal representatives who elect their own chairman. Relations between the councils and the district commissioners have often been strained and President Banda is faced with the recurring task of balancing the commissioners' authority with that of the councils. There are only three urban units in Malawi: the city of Blantyre, and the townships of Lilongwe and Zomba, the capital. Blantyre acts as a semiautonomous unit with a popularly elected city council and a mayor selected from its own members. The townships of Lilongwe and Zomba are under the direct management of the districts in which they are situated.

Although Zomba is the official capital, Blantyre because of its more attractive location is the seat of government and all official business is conducted there. Banda wishes to move the capital to Lilongwe, some 150 miles to the northwest, however, and in 1968 he secured an \$11-million loan from South Africa to begin construction of a modern capital city. The entire project is expected to cost upward of \$50 million. Banda is convinced that moving the capital will begin the development of central and northern Malawi and improve communications and transportation between the capital and the rest of the country.

Political dynamics

The Banda Government—President Banda has completely dominated Malawi politics since the country became independent in 1964. Through a careful blend of paternalism and autocratic rule, Dr. Banda has fashioned a stable, one-party state in which he exercises complete control over all political activity. All major decisions, and many minor ones, are made by Dr. Banda. In addition to being president for life, he is also minister of justice, minister of external affairs, and life president of the Malawi Congress Party (MCP), the sole political party. Banda's authoritarianism and his manipulation of political forces have tended to preclude the growth of political activity within the country and to deprive the next generation of African leaders of any significant political role.

Tribalism—The tribe and the clan remain the focal points of life. No single tribe is large or powerful enough to exercise direct political influence,

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however, and tribal loyalties are less of a national political force in Malawi than in some other African countries. Nevertheless, the Banda government is aware of the deep loyalties commanded by tribal chiefs and is careful to maintain a semblance of reliance upon them. Although Banda appoints and removes all tribal chiefs, he exercises this prerogative with discretion and is careful not to offend tribal sensitivities. Since independence Banda has sought to broaden the representative role of the chiefs in national affairs in order to offset years of friction between tribal leaders and colonial district representatives of the central government. Banda himself moves easily between the roles of modern head of state and paramount chief - great father.

Political organizations—Malawi's sole political party is the Malawi Congress Party (MCP), established in 1959 as the vehicle for the independence movement. The party is defined by its constitution, adopted in 1965, as a mass organization providing the nexus between the grass roots and the central government. Membership is open to all Malawians who are at least 16 years of age. All government officials and functionaries must be members of the party. According to the national constitution, the MCP is ascribed supremacy over the governmental structure. The party's hold on patronage is a major source of its power and is used to enforce obedience and reward loyalty.

The MCP has two auxiliaries, the League of Malawi Women (LMW) and the League of Malawi Youth (LMY). Both have organizational structures paralleling the MCP, although they are directly subordinate to the party's national executive. They are designed to provide a monolithic structure linking grass roots and central government, with the added responsibility in the case of the LMY of providing training and indoctrination to prepare youth for participation in adult units of the MCP. The general unruliness of the LMY, however, often bordering on state-sanctioned hooliganism, has weakened its credibility as a national organization.

Foreign residents—The 1,000 or so British nationals working within the Malawi Government have helped further a nonpartisan tradition characteristic of the British civil service and have often acted as a moderating

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influence upon Banda. Their presence, however, has produced some resentment among African civil servants who feel that President Banda is not moving rapidly enough to promote Africans into British-held positions. Approximately 11,000 Asians and a smaller number of Europeans exert a small measure of political influence because of their solidarity as an economic group. Foreign missionaries, numbering about 1,000 Catholics and Protestants in 1971, are less a political force now than prior to independence when Protestant missionaries in particular contributed to the rise in nationalist sentiment. Since independence, however, the government has ensured that missionaries restrict their activities to medical and educational works.

Electoral system—The Malawi Congress Party is the key to the country's electoral system. The MCP nominates candidates for the National Assembly from each of the assembly constituencies. Of the several candidates, President Banda selects one from each constituency. Unless opposition candidates are forthcoming—a highly unlikely eventuality—the candidates are declared elected without actual balloting. Although the constitution provides the franchise to all Malawians of at least 21 years of age who are duly registered and who have not had their civil rights revoked, Malawians have yet to participate in the balloting process. Candidates for the parliamentary elections of 1964 and 1971 and all intervening by-elections for individual seats were declared elected. Malawi officials defend this process on the grounds that the nominating process itself—in which three to five candidates per assembly seat are evaluated—is sufficient to pick the most representative and most qualified candidate and therefore elections are superfluous.

Security system

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The Malawi Police, numbering about 3,000 men, bears primary responsibility for the maintenance of law and order, counterintelligence, control of riots and disorders, and immigration control.

Like the army, the police are British-trained, and British officers hold most key staff positions. In July 1971, however, a Malawian was appointed police commissioner to replace the outgoing British commissioner. This appointment did much to undercut the criticism of President Banda's slow-paced Africanization program.

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Another organization within the security system is the Malawi Young Pioneers, which has carried out certain security responsibilities since 1965 at some expense to the authority of the police. Several hundred pioneers have been given various types of military and police training and have been assigned to help the police, particularly in thinly populated and remote parts of the country. The police force has no jurisdiction over the pioneers, who are directly under the control of the president or his appointed delegate. Although the autonomy of the pioneers has been trimmed somewhat in recent years because of their excessive zeal, both the police and the army resent the pioneers' activities as political intrusion.

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IV. SUBVERSION

The Banda government is in no immediate danger from internal subversive elements. Organized opposition to the government was crushed by Banda in early 1965 following a cabinet crisis and two abortive revolts led by several dissident ministers. Since then the only political organizations existing in Malawi have been the ruling party and its ancillary organizations.

There is no Communist party in Malawi and there are no indications of local Communist activity or influence. President Banda himself is staunchly anti-Communist.

A potential source of unrest is a Mozambique nationalist organization, the Mozambique Liberation Front (FRELIMO), which maintains a modest presence within Malawi. Banda has allowed FRELIMO to use Malawi as a rest area but has restricted the passage of arms through Malawi or the staging of raids into Mozambique from Malawian territory. Nevertheless, Malawi's capabilities for controlling these armed militants, especially in the border regions, are limited, and an increase in the presently low level of FRELIMO operations from Malawi could lead to Portuguese reprisals which could eventually spread popular unrest throughout southern Malawi. So far, however, both FRELIMO and the Portuguese have refrained from escalating operations in the border area, and both sides realize it is to their advantage to maintain the status quo.

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VI. ARMED FORCES

Organization and manpower

The armed forces of Malawi consist solely of an all-volunteer army of approximately 1,100 men. It is organized into a headquarters company, five rifle companies, and support elements. The government does not maintain a defense ministry; President Banda exercises direct control of the army through the army commander, a brigadier seconded from the British Army. The Malawi Army has approximately 25 British officers and noncommissioned officers, and British officers serve in key staff and command positions. The president is advised on defense matters by three separate organizations—the Army Council, the Malawi Operations Committee, and the National Intelligence Committee. All are composed of civilian, military, and police personnel.

Mission and capabilities

The missions of the army are the protection of Malawi's borders and, in conjunction with the police, the maintenance of internal security. The army is capable of small-unit tactical operations and maintains a high state of readiness primarily due to the rigid training standards set by the British. Because of its small size, however, the army could not combat an incursion by a sizable force. Its defensive operations would be hampered by its small size in relation to the large land area to be protected. Moreover, because it has no reserve component, mobilization of additional personnel into the army would be slow.

Foreign support

With the exception of basic quartermaster items, Malawi is completely dependent upon the United Kingdom for support of its army. Because the need for modern, sophisticated equipment is limited, the army's logistical system is simple and its military budget small, averaging between 2% and 2.5% of the annual national budget. The defense budget is prepared by the government and submitted to the British High Command for approval. Malawi has no defense agreements with other countries.

Africanization and morale

The presence of seconded and contract British personnel in major staff and command slots in the army has brought about a degree of resentment

among Malawian officers and noncommissioned officers. Although President Banda is determined to bring about the eventual replacement of all British personnel, he is hampered by the lack of qualified Malawians and has repeatedly emphasized that he will not observe "Africanization for Africanization's sake." Resentment is blunted somewhat by the fact that the deputy commander is a Malawian. Moreover, careful screening of British personnel for secondment and the general excellence of British training has averted a morale crisis and has instilled a feeling of loyalty within the army. Army personnel enjoy a favorable social status and maintain good relations with the general public.

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VII. FOREIGN RELATIONS

Basic objectives

Malawi's foreign policy is determined by President Banda, who also serves as minister of external affairs. In making policy decisions Banda is guided by Malawi's location and economic limitations as well as his own desire to become a great African statesman. Banda realistically tailors his policy to consider his nation's dependence on British financial and technical assistance, on the rail line through Mozambique, and on employment opportunities in neighboring countries for Malawi's chronic excess of manpower. Banda has also become black Africa's foremost advocate of reconciliation between black Africa and the white-ruled states of southern Africa, a position that has earned him the title "Odd Man Out" in Africa.

African states

Banda's espousal of open cooperation with South Africa, Rhodesia, and Portuguese Mozambique has made him a controversial figure in African diplomacy. Nevertheless, he is convinced that open cooperation is more realistic and practical than boycott, isolation, and violent confrontation, as a means of bringing about change in southern African racial policies. Malawi is the only black African country with diplomatic relations with southern Africa. There is a Malawi ambassador in Pretoria, and a government representative in Rhodesia. Consular relations are maintained with Portuguese Mozambique, and a nonresident ambassador is accredited to Lisbon. In August 1971, Banda made a highly successful five-day state visit to South Africa, an accomplishment he believes was a major step forward in his goal of eventually bringing about a moderation of that state's racial policies.

Malawi's open relations with its white neighbors have strained relations with most other black African countries, however. Criticism has been most severe from neighboring Zambia and Tanzania. Although Malawi is nominally a member of the Organization of African Unity (OAU), its contacts with most of the OAU member states have gradually worsened both because of Banda's policy and his often caustic criticism of the organization's support for militant action against southern African racial policies.

Western states

Malawi has close relations with the West. The strongest ties are reserved for the UK, and Malawi is a firm supporter of the Commonwealth. Malawi

strongly supports the US and has consistently backed the US on international issues. Although US assistance and private investment in Malawi are modest, President Banda looks toward aid from the US and other Western states as a means of overcoming Malawi's excessive dependence on the UK. In addition to the US, financial assistance has come from France, Canada, the Federal Republic of Germany, the Republic of China, Israel, the World Bank, and several UN agencies.

Communist states

Malawi has no formal diplomatic relations with any Communist state although it maintains unofficial contacts with the USSR through Soviet diplomats in neighboring countries. A handful of Malawian students are studying in the Soviet Union, and the USSR has indicated that it might be willing to provide assistance for the construction of Malawi's new capital at Lilongwe. Banda is especially wary of the Chinese Communist presence in Africa, particularly in Tanzania. Banda is convinced that the Chinese Communist Embassy in Dar es Salaam has been a major supporter of anti-Banda exiles in Tanzania.

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VIII. US INTERESTS

Aid and investment

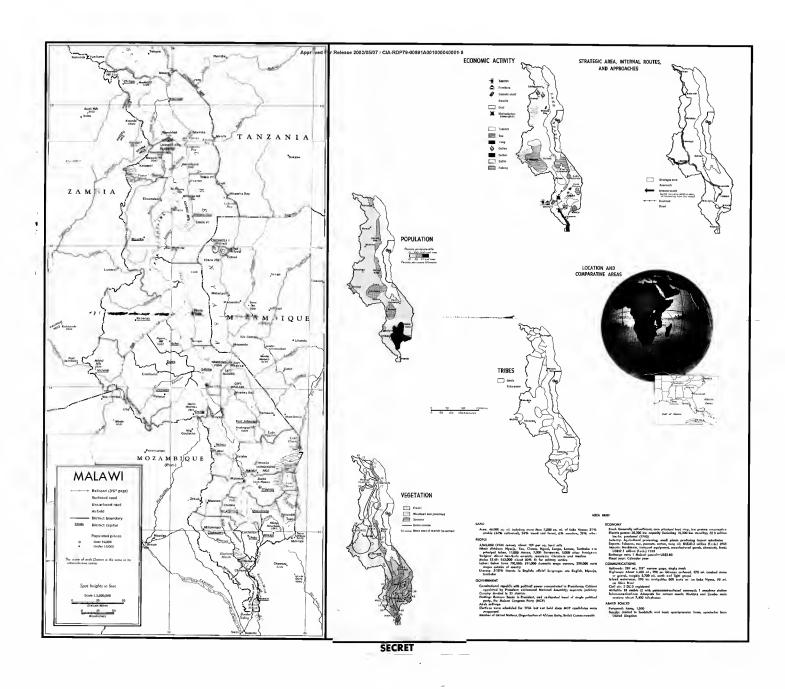
The US maintains a limited economic aid program in Malawi designed to complement UK and international efforts to facilitate Malawi's development of a modern economy. Since 1960, US aid, primarily in the form of development loans and grants and contributions to international groups such as the International Bank for Reconstruction and Development (IBRD), has gradually been increasing. Grants and Ioans from the Agency for International Development authorized for FY 1970 totaled some \$50,000. Estimated US contributions to UN agencies and the IBRD were slightly over \$2 million.

Trade

Trade between the US and Malawi is modest, reflecting the preferential tariff for UK goods, traditional British trade ties, and lower transportation costs from South Africa and Rhodesia. Imports to and exports from Malawi ran about 4% of Malawi's trade in 1970.

Residents

US citizens residing in Malawi as of mid-1971 included approximately 20 US Embassy personnel plus dependents and about 400 missionaries including dependents.



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